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Costa Rica

Grain and Feed

Rice Situation

2002

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Report Highlights:

Government and industry sources estimate that Costa Rica will need to import up to 80,000 metric tons of rice (rough basis) during calendar year 2002. Rice stocks are running low. Therefore, imports are expected to begin soon.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
San Jose [CS1], CS

Rice Situation - Costa Rica

According to government and industry sources, Costa Rica will need to import up to 80,000 metric tons of rice (rough basis) during calendar year 2002. In 2001, Costa Rica imported 57,458 tons. Higher import volume is expected as a result of lower area planted and lower yields. Precipitation during the rainy season was lower than normal in 2001, negatively affecting production. Final official production and area planted numbers are not available yet. However, needed imports are determined based on available stocks as of December 31, as well as consumption estimates provided by rice mills.

Although the Government of Costa Rica (GOCR) has been planning to use its National Production Council (CNP) to import rice duty free, and distribute it among millers, some millers intend to import directly starting in February despite the 35 percent duty and a price safeguard that adds about 7 percent to the duty. According to industry sources, it may be too late for CNP to import directly as rice stocks are running low.

According to official data, stocks of milled rice were 50,190 tons as of December 31, following harvest of the main rice crop (almost 75 percent of total production). The second crop will not be harvested until May - July of this year. This means that presently stocks could be as low as 32,000 tons, or less than 2 months supply at the current estimated consumption rate of about 18,000 tons per month.

If the CNP does not get involved in the import process, which is not clear yet, importers would likely form groups to import directly, potentially resulting in an import volume higher than 80,000 tons. During 2001, all of Costa Rica's rice imports, valued at \$9.0 million were sourced from the U.S. Costa Rica primarily imports rough rice.